

VIRGINIA:

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

MODIFICATION OF VIRGINIA GAS	)	
AND OIL BOARD ORDER ENTERED	)	
MARCH 30, 1990 IN RE: APPLICA-	)	VIRGINIA GAS AND
TION OF ANR PRODUCTION COMPANY	)	OIL BOARD
FOR FORCED POOLING OF INTEREST	)	
IN DRILLING UNIT AFFECTED BY	)	DOCKET NO.
WELL NUMBER RFP3#1 (described in	)	
Exhibit A hereto and herein	)	VGOB 93-1116-0419
referred to as "Subject Drilling	)	(Modification of
Unit") IN THE ROARING FORK	)	Board Order entered
FIELD OF WISE COUNTY, VIRGINIA	)	March 30, 1990 and
(herein "Board Order") TO	)	filed with the
ACKNOWLEDGE THE TRANSFER OF	)	Clerk, Wise Circuit
THE OPERATIONS OF SUBJECT	)	Court on April 4,
DRILLING UNIT FROM	)	1990 in Deed Book
ANR PRODUCTION COMPANY TO	)	692, Pages 107-121)
EQUITABLE RESOURCES EXPLORATION	)	
AND TO DESIGNATE EQUITABLE	)	
RESOURCES EXPLORATION AS THE	)	
UNIT OPERATOR	)	

REPORT OF THE BOARDFINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on December 21, 1993, Southwest Virginia Education 4-H Center, Route 609, Hillman Highway, Abingdon, Virginia 24210 on the Application of Equitable Resources Exploration (hereinafter "Applicant") to modify the Board Order to Acknowledge the Transfer of Operations of Subject Drilling Unit from ANR Production Company (herein "ANR") to Equitable Resources Exploration and to designate Equitable Resources Exploration as the Unit Operator.

2. Appearances: James E. Kaiser of the firm Hunter, Smith & Davis appeared in behalf of Applicant; Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.

3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 et seq. (1950, as amended), the Board finds that it has jurisdiction over the subject matter. The Board further finds that Applicant has given notice to all parties identified by Applicant as having or claiming the rights to the gas and oil underlying Subject Drilling Unit whose interests were pooled by the Board Order. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Findings:

- 4.1 ANR proposed a plan of development and operation of the Formations underlying Subject Drilling Unit, and ANR proposed to commence such plan of development and operation of Subject Drilling Unit by a well designated as VP-133805 (RFP3#1) to produce conventional oil and gas from Subject Drilling Unit.

- 4.2 Upon application by ANR to the Board pursuant to Va. Code § 45.1-361.21, the Board entered the Board Order pooling the interests in Subject Drilling Unit for the production of conventional gas and oil.
- 4.3 Subsequent to the entry of the Board Order, Applicant obtained ANR's working interest in the Roaring Fork Field by assignment dated September 1, 1991, of record in Deed Book 720, Page 546.
- 4.4 By letter agreement dated November 25, 1991 from ANR and Applicant to Byron T. Fulmer, Director, Division of Gas and Oil, Department of Mines, Minerals and Energy (herein "DMME"), ANR gave notice and transferred to Applicant all of its existing permits on file with DMME, and Applicant agreed to comply with the Gas and Oil Regulations, VR 480-05-22.1, Article 2 § 1.12 pertaining to the transfer of permit rights.
- 4.5 Well work permit number 1380-01 was issued to Applicant for well number VP-133805 (RFP3#1).
- 4.6 Applicant is a division of Equitable Resources Energy Company, a corporation duly authorized to transact business in the Commonwealth of Virginia.
- 4.7 Applicant claims control of oil and gas leasehold estates in the following percentages for the acreage underlying Subject Drilling Unit:

	<u>WI %</u>	<u>NRI %</u>
<u>Before Payout</u>	83.7508	72.692772
<u>After 200% Payout</u>	83.262650	72.204622
<u>After 300% Payout</u>	71.69178	62.170641

- 4.8 Applicant is an operator in the Commonwealth of Virginia, has satisfied the Board's requirements for operations in Virginia, and maintains offices at:

Equitable Resources Exploration  
1989 East Stone Drive  
P. O. Box 1983  
Kingsport, Tn. 37662-1983

5. Conclusion: The Virginia Gas and Oil Board acknowledges the above recited assignments and transfers of ANR's working interests in Subject Drilling Unit, as well as the transfer of permit rights, to Applicant. Based upon the evidence presented, the representations made to the Board, and the relief requested by Applicant at the hearing, the Board hereby amends the Board Order to delete ANR Production Company as the Unit Operator of Subject Drilling Unit and designates Equitable Resources Exploration as the Unit Operator of Subject Drilling Unit until otherwise ordered by the Board pursuant to §12 of VR 480-05-22.2, Virginia Gas and Oil Board Regulations.

6. Mailing of Order and Filing of Affidavit: Applicant shall file an affidavit with the Secretary of the Board within sixty (60) days of receipt of this order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person pooled by the Board Order whose address is known.



DONE AND ORDERED this 29<sup>th</sup> day of January, 1994, by a majority of the Virginia Gas and Oil Board.

Benny R. Wampler  
Chairman, Benny R. Wampler

DONE AND PERFORMED this 29<sup>th</sup> day of January, 1994, by the Order of this Board.

Byron Thomas Fulmer  
Byron Thomas Fulmer  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA )  
COUNTY OF WISE )

Acknowledged on this 29<sup>th</sup> day of January, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed same as Chairman of the Virginia Gas and Oil Board and was authorized to do so.

Susan G. Garrett  
Susan G. Garrett  
Notary Public

My Commission Expires 7/31/94

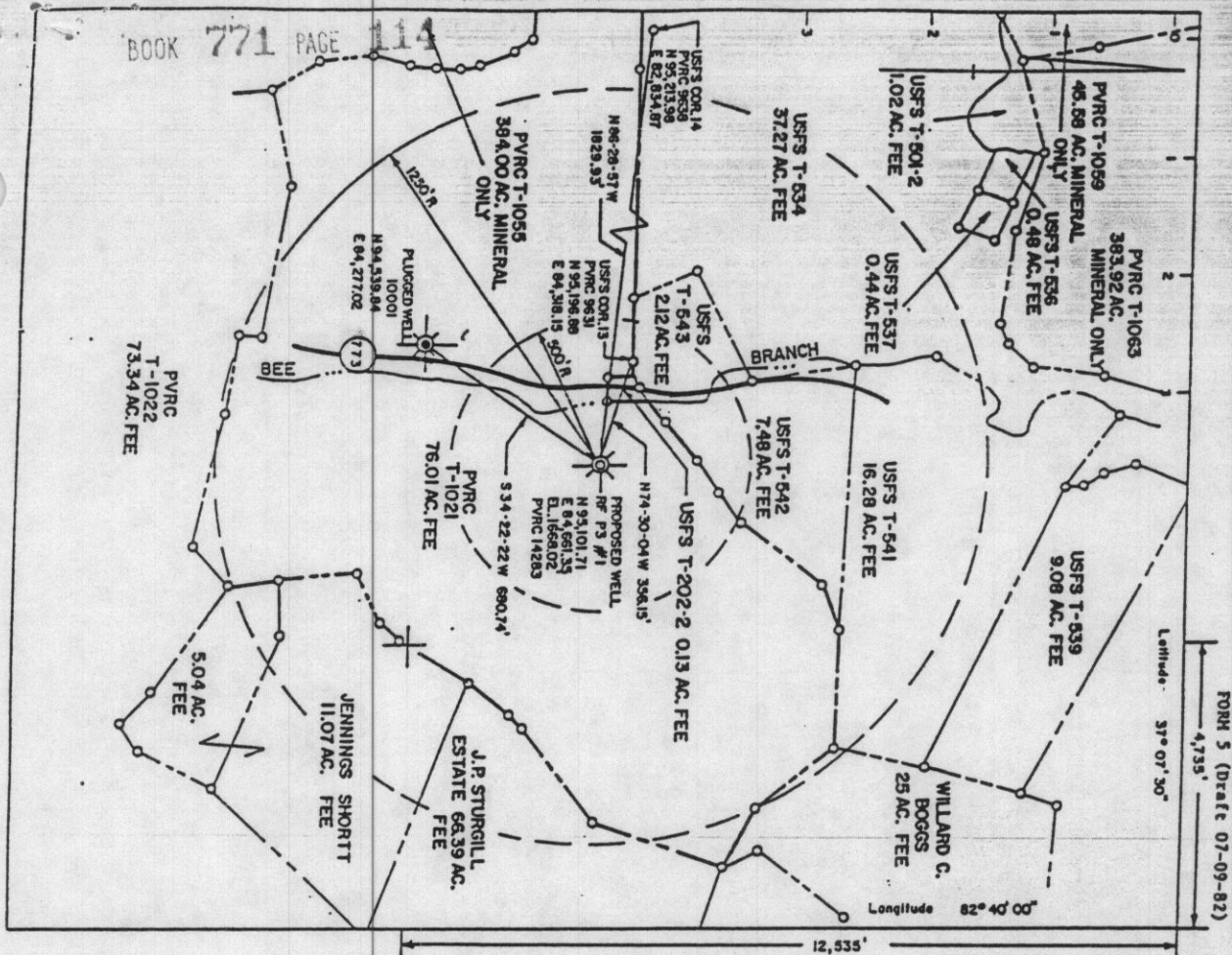
STATE OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 29<sup>th</sup> day of January, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed same as Principal Executive to the Staff of the Virginia Gas and Oil Board and he was authorized to do so.

Diane J. Davis  
Diane J. Davis  
Notary Public

My Commission Expires 09/30/97

VIRGINIA: In the Clerk's Office of Wise Circuit Court Feb 3 19 94  
This deed was presented and upon the annexed Certificate of acknowledgment admitted to record at 2:01 P M. The tax imposed by 58.54 1 of the Code has been paid in the amount of \$ --- Recorded in Deed Book 771 and Page 111  
Teste: C. Gary Rakes, Clerk Terry L. Rakes Deputy Clerk



(FOR OFFICE USE ONLY) API Well No. 45 -  
State County Permit

Date: 6-6, 1989

Operator's  
Well No. # P3 #1

VIRGINIA OIL AND GAS INSPECTOR  
DEPARTMENT OF LABOR AND INDUSTRY  
DIVISION OF MINES  
219 Wood Avenue  
Big Stone Gap, Virginia 24219-1799  
Phone 703-523-0335

#### WELL PLAT

+ Denotes location of well on United States Topographic Maps, scale 1 to 24,000. Latitude and longitude lines are represented by border lines as shown.

This plat is new / updated /

This plat is X / is not / based on a mine coordinate system established for the areas of the well location.

Well operator AMR PRODUCTION COMPANY

Address JACKSON, MISSISSIPPI  
Firm PENN VIRGINIA RESOURCES CORPORATION  
Tract T-1021 Acres 78.01 Lease No.  
Elevation 1668.02'  
Quadrangle PLAT GAP  
County WISE District ROBERTSON  
Registered Engineer X Registration No. 12413  
Certified Land Surveyor  
File No. Drawing No. No.  
Date 6/8/89 Scale 1" = 400'

#### Certification of Well Plat

I, the undersigned, hereby certify that this plat is correct to the best of my knowledge and belief, and shows all the information required by law and the regulations of the Virginia Well Review Board.

*Robertson*  
Registered Engineer or Certified Land Surveyor  
In Charge